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Agency Name Public Service Commission of South Carolina	1. Chapter Number 103	2. Date of Filing <i>January</i> November 11, 2008
3. Regulation Number 103-690.1	4. Subject of Regulation Annual Reporting Requirements for Designated Eligible Telecommunications Carriers	
5. Statutory Authority S.C. Code Ann. Section 58-3-140 (Supp. 2007)		

6. Type of Filing

- ☐ NOTICE OF GENERAL PUBLIC INTEREST
- ☐ NOTICE OF DRAFTING
- ☒ PROPOSED REGULATION
- ☐ EMERGENCY REGULATION
- ☐ FINAL REGULATION FOR GENERAL ASSEMBLY REVIEW
- ☐ RESUBMISSION OF WITHDRAWN REGULATION FOR GENERAL ASSEMBLY REVIEW
- ☐ FINAL REGULATION EXEMPT FROM GENERAL ASSEMBLY REVIEW

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**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA**  
**CHAPTER 103**  
Statutory Authority: S.C. Code Ann. Section 58-3-140 (Supp. 2007)

26 S.C. Code Ann. Regs. 103-690.1. Annual Reporting Requirements for Designated Eligible Telecommunications Carriers

**Preamble:**

Federal regulations require that the Commission file an annual certification with the Universal Service Administrative Company and the Federal Communications Commission stating that all federal high-cost support funds provided to Eligible Telecommunications Carriers (ETCs) within South Carolina are used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. The Commission has drafted and is proposing a regulation that outlines the filing and annual reporting requirements for designated ETCs.

**Section-by-Section Discussion**

103-690.1. This section is added to outline the filing and annual reporting requirements for designated ETCs.

**Notice of Public Hearing and Opportunity for Public Comment:**

Interested persons may submit written comments to the Public Service Commission, Docketing Department, 101 Executive Center Drive, Columbia, South Carolina 29210. Please reference Docket Number 2006-37-C. To be considered, comments must be received no later than 4:45 p.m. on March 3, 2008. Interested members of the public and the regulated community are invited to make oral or written comments on the proposed regulation at a public hearing to be conducted by the Public Service Commission on **April 1, 2008 at 2:00 p.m.** in the Commission's Hearing Room, 101 Executive Center Drive, Columbia, South Carolina 29210.

**Preliminary Fiscal Impact Statement:**

There will be no increased costs to the State or its political subdivisions.

**Statement of Need and Reasonableness:**

This statement of need and reasonableness was determined pursuant to S.C. Code Ann. Section 1-23-115(C)(1) through (3) and (9) through (11).

DESCRIPTION OF REGULATION: 26 S.C. Code Ann. Regs. 103-690.1.

Purpose: The purpose of the proposed regulation governing annual certification of ETCs is to outline the filing requirements for ETCs so that the Commission has adequate information to determine if it should certify to the Federal Communications Commission and the Universal Service Administrative Company that the carrier is in compliance with federal and state regulations and rules.

Legal Authority: S.C. Code Ann. Section 58-3-140 (Supp. 2007)

Plan for Implementation: The proposed amendments will take effect upon approval by the General Assembly and publication in the *State Register*.

**DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:**

The proposed regulation is needed to describe the information that the Commission expects from ETCs to determine if the Commission should certify to the Federal Communications Commission and the Universal Service Administrative Company that the ETC should continue to receive funding from the federal Universal Service Fund.

**DETERMINATION OF COSTS AND BENEFITS:**

Although costs related to amending 26 S.C. Code Ann. Regs. 103-690.1. are minimal, benefits include a regulation that clearly describes the annual reporting requirements of ETCs.

**UNCERTAINTIES OF ESTIMATES:**

None.

**EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:**

None.

**DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:**

The proposed regulation will have no detrimental effect on the environment and public health if the regulation is not implemented.

**Statement of Rationale:**

The purpose of 26 S.C. Code Ann. Regs. 103-690.1. is to outline annual certification filing requirements for ETCs. The proposed regulation will provide the Commission with important information to determine whether ETCs should continue to receive federal high-cost support funds. There was no scientific or technical basis relied upon in the development of this regulation.

**Text:**

**103-690.1. Annual Reporting Requirements for Designated Eligible Telecommunications Carriers**

**A. Purpose.** The purpose of this regulation is to specify the annual reporting requirements for designated Eligible Telecommunications Carriers (ETCs).

**B. Annual Reporting Requirements for ETCs Designated after January 1, 2007.**

This section shall apply to all eligible telecommunications carriers who are designated after January 1, 2007.

- (a) *Filing Deadlines.* For ETCs who are designated after January 1, 2007, in order for the common carrier designated under 47 U.S.C. § 214(e)(2) to continue to receive support for the following calendar year, or retain its eligible telecommunications carrier designation, it must file with the Commission and provide a copy to the ORS the annual reporting information in paragraph (b) no later than August 1, 2008, and thereafter annually by August 1<sup>st</sup> of each year. The information provided should cover the previous twelve (12)

month period ending December 31<sup>st</sup>. The ORS shall review each ETC annual report and notify the Commission on or before August 20<sup>th</sup> annually in writing as to the ORS's opinion as to whether the carrier is in compliance with federal and state regulations and rules. The Commission, after holding a hearing, if it deems a hearing is necessary, shall determine based upon the information provided to it whether the carrier is in compliance with federal and state regulations and rules and shall notify the Federal Communications Commission and the Universal Service Administrative Company of each company's compliance by October 1 of the reporting year thereby ensuring that each ETC designated by the Commission is authorized to receive federal support for the upcoming fiscal year.

Reports must also contain a commitment by wireless applicants to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service as of May 18, 2008, or a commitment by other ETCs that they meet the service quality standards outlined in Section 103-663. In addition, ETCs not regulated by the Commission must report on the following regulations: 103-618A – Trouble Reports per hundred access lines; 103-619 (a) & (e) – Held Applications/Availability of Service; 103-661 (c) – Interruption of Service. For the purpose of this regulation, access lines and handsets shall be used interchangeably.

(b) A common carrier designated under 47 U.S.C. § 214(e)(2) as an eligible telecommunications carrier after January 1, 2007 shall provide:

- (1) a progress report on its two-year service quality improvement plan, including maps detailing its progress toward meeting its plan targets, an explanation of how much universal service support was received and how it was used to improve signal quality, coverage, or capacity, and an explanation regarding any network improvement targets that have not been fulfilled. The information shall be submitted at the wire center level. Additionally, an updated forward-looking two-year plan shall be filed annually;
- (2) detailed information on any outage, as defined in 47C.F.R. §4.5, of at least 30 minutes in duration for each service area in which an eligible telecommunications carrier is designated for any facilities it owns, operates, leases, or otherwise utilizes that potentially affect (a) at least ten percent of the end users served in a designated service area; or (b) a 911 special facility, as defined in 47 C.F.R. §4.5(e). Specifically, the eligible telecommunications carrier's annual report must include information detailing: (a) the date and time of onset of the outage; (b) a brief description of the outage and its resolution; (c) the particular services affected; (d) the geographic areas affected by the outage; (e) steps taken to prevent a similar situation in the future; and (f) the number of customers affected;
- (3) the number of requests for service from potential customers within the eligible telecommunications carrier's service areas that were unfulfilled during the past year. The carrier shall also detail how it attempted to provide service to those potential customers;
- (4) the number of complaints or trouble reports per 1000 handsets or access lines;

- (5) certification that it is complying with applicable service quality standards and consumer protection rules, as designated by the Commission;
- (6) a detailed report and certification that the carrier is able to function in emergency situations;
- (7) for non-incumbent local exchange carriers certification that the carrier is offering a local usage plan comparable to that offered by the incumbent LEC in the relevant service areas;
- (8) certification that the carrier acknowledges that the Federal Communications Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area;
- (9) the number of Lifeline customers and the number of customers that received Link Up assistance as of December 31st of the prior year; and
- (10) copies of responses to the Lifeline Verification Survey or Certification filed with the Universal Service Administrative Company on August 31 of each year.
- (11) For ETCs not eligible for High Cost Fund support, but participating in the Lifeline and Link Up programs subsections (1) and (2) shall be waived. All other requirements shall remain in force, except that the requirements of (6) may be met by reference to an underlying carrier's continuing certification as for leased facilities.

**C. Annual Reporting Requirements for ETCs Designated Prior to January 1, 2007.**

ETCs who were designated prior to January 1, 2007, must certify to the Commission that the funds they received from the federal Universal Service Fund during the previous year were used in accordance with federal statutes, rules and guidelines. Additionally, these ETCs must certify that they are in good standing with the Universal Service Administrative Company and the Federal Communications Commission regarding the prior year's support and audit. Further, these ETCs must certify to the Commission that all federal high-cost support provided to such carriers within South Carolina in the succeeding calendar year will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. This certification must be filed with the Commission on or before August 1<sup>st</sup> annually.

**D. Newly Designated Eligible Telecommunications Carriers.**

- (a) Once a carrier is designated as eligible to receive support, the Commission shall file the certification with the Federal Communications Commission and the Universal Service Administrative Company within 60 days of that effective date of its designation as an eligible telecommunications carrier.

- (b) Thereafter, the ETC must submit the data required in paragraph B by August 1<sup>st</sup> of each year to the Commission and the Commission shall file the certification with the Federal Communications Commission and the Universal Service Administrative Company by October 1.

**E. ETC Requirements for Lifeline and Link Up Services**

- (a) ETCs shall offer Lifeline service in the designated service area to all qualifying low-income consumers in accordance with the federal lifeline service guidelines as follows:
- (1) ETCs shall advertise the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for the service.
  - (2) ETCs shall commit to offer toll limitation to all qualifying low-income consumers at the time such consumers subscribe to Lifeline service. If the consumer elects to receive toll limitation service, that service becomes part of that consumer's Lifeline service.
  - (3) ETCs may not collect a service deposit in order to initiate Lifeline service if the qualifying low-income consumer voluntarily elects toll limitation service from the carrier where available.
  - (4) ETCs shall verify annually that its Lifeline customers meet the program qualification.
  - (5) ETCs shall notify Lifeline subscribers a minimum of 60 days prior to termination of their service if the carrier has a reasonable basis to believe that the subscriber no longer meets the Lifeline qualifying criteria.
  - (6) ETCs shall not charge Lifeline customers a monthly number- portability charge.
- (b) ETCs shall offer Linkup service in the designated service area to all qualifying low-income consumers, in accordance with the following guideline:
- (1) ETCs shall advertise availability of Link Up service in a manner reasonably designed to reach those likely to qualify for the service, and shall provide a reduction of the customary charge for connecting telecommunications service for a single line at the consumer's principal place of residence. The reduction shall be in conformance with federal regulations governing the cost of Link Up service.